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**UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF CALIFORNIA  
SAN FRANCISCO DIVISION**

**In re:**

**PG&E CORPORATION**

**- and -**

**PACIFIC GAS AND ELECTRIC  
COMPANY,**

**Debtors.**

- ☐ Affects PG&E Corporation
- ☐ Affects Pacific Gas and Electric Company
- ☒ Affects both Debtors

*\* All papers shall be filed in the Lead  
Case, No. 19-30088 (DM).*

Case No. 19-30088 (DM)  
Chapter 11  
(Lead Case)  
(Jointly Administered)

**STATEMENT OF THE OFFICIAL  
COMMITTEE OF UNSECURED  
CREDITORS REGARDING DEBTORS'  
SECOND AMENDED MOTION FOR ENTRY  
OF ORDERS (I) APPROVING TERMS OF,  
AND DEBTORS' ENTRY INTO AND  
PERFORMANCE UNDER, EQUITY  
BACKSTOP COMMITMENT LETTERS,  
(II) APPROVING TERMS OF, AND  
DEBTORS' ENTRY INTO AND  
PERFORMANCE UNDER, DEBT  
FINANCING COMMITMENT LETTERS  
AND (III) AUTHORIZING INCURRENCE,  
PAYMENT AND ALLOWANCE OF  
RELATED FEES AND/OR PREMIUMS,  
INDEMNITIES, COSTS AND EXPENSES AS  
ADMINISTRATIVE EXPENSE CLAIMS**

Date/Time: March 10, 2020 at 10:00 a.m. (PT)  
Place: United States Bankruptcy Court  
Courtroom 17, 16th Floor  
450 Golden Gate Avenue  
San Francisco, CA 94102

Re: Docket Nos. 4446, 5267 & 6013

The Official Committee of Unsecured Creditors (the “Creditors’ Committee”) appointed in the above-captioned chapter 11 cases of PG&E Corporation and Pacific Gas and Electric Company (collectively, the “Debtors”), by its attorneys Milbank LLP, hereby submits this statement in connection with *the Second Amended Motion for Entry of Orders (i) Approving Terms of, and Debtors’ Entry into and Performance Under, Equity Backstop Commitment Letters, (ii) Approving Terms of, and Debtors’ Entry into and Performance Under, Debt Financing Commitment Letters and (iii) Authorizing Incurrence, Payment and Allowance of Related Fees and/or Premiums, Indemnities, Costs and Expenses as Administrative Expense Claims* (the “Exit Financing Motion”) [Docket No. 6013], related to the *Joint Chapter 11 Plan of Reorganization dated January 31, 2010* (the “Plan”) [Docket No. 5590].

## STATEMENT

The Committee notes the outstanding objection of the Governor to the relief requested in the Exit Financing Motion. Provided that compliance with A.B. 1054 seems sufficiently likely and the proposed commitment letters are not illusory,<sup>1</sup> the Committee does not oppose the Exit Financing Motion as the remaining risks and costs of the proposed financing are otherwise mitigated by the current instability in the financial markets.

The Creditors' Committee has not endorsed the Plan and continues, in accordance with its statutory duty, to analyze and conduct due diligence on all issues under Bankruptcy Code section 1129, including the Plan's feasibility. As such, the Creditors' Committee reserves all of its rights with respect to the Plan's feasibility, including an objection to leverage based in part on the capital structure that is the subject of the Exit Financing Motion. Said another way, the granting of the

<sup>1</sup> See Equity Backstop Commitment Letter, Section 5(k) [Docket No. 6013-3] (“the CPUC fails to issue all necessary approvals, authorizations and final orders to implement the Plan prior to the Outside Date, and to participate in the Go-Forward Wildfire Fund, including: (i) provisions satisfactory to entities holding a majority of the Aggregate Backstop Commitments ...”).

1 relief requested in the Exit Financing Motion should not be deemed a substitute for the Debtors'  
2 obligation to prove feasibility under section 1129 of the Bankruptcy Code or compliance with A.B.  
3 1054. The Committee further reserves all rights with respect to the requested relief based upon  
4 subsequent events.  
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7 Dated: March 13, 2020  
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9 **MILBANK LLP**

10 /s/ Gregory A. Bray  
11 DENNIS F. DUNNE  
12 SAMUEL A. KHALIL  
13 GREGORY A. BRAY  
14 THOMAS R. KRELLER

15 *Counsel for the Official Committee of*  
16 *Unsecured Creditors*  
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